

Libya Joint Market Monitoring Initiative (JMMI)

1–12 February 2019

Libya Cash Working Group

REACH Informing more effective humanitarian action

INTRODUCTION

In an effort to inform cash-based interventions and better understand market dynamics in Libya, the Joint Market Monitoring Initiative (JMMI) was created by the Libya Cash Working Group (CWG) in June 2017. The initiative is guided by the CWG Markets Taskforce, led by REACH and supported by the CWG members. It is funded by OFDA and UNHCR.

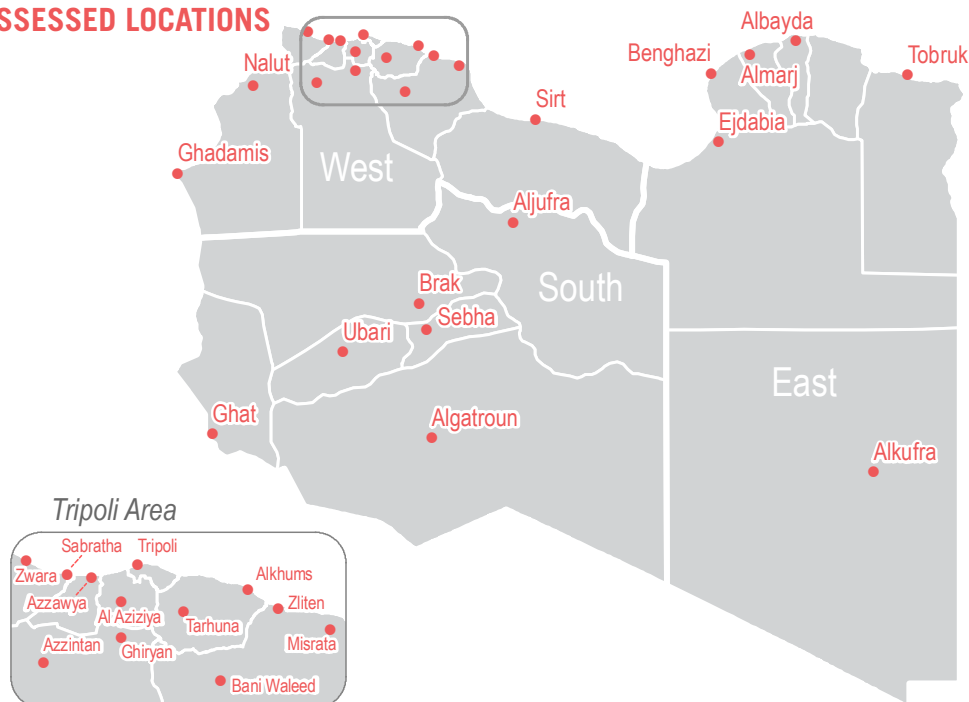
Markets in key urban areas across Libya are assessed on a monthly basis. In each location, field teams record prices and availability of basic food and non-food items (NFI) sold in local shops and markets.

This factsheet presents an overview of price ranges and medians for key food items and NFIs in the assessed areas, as well as the costs associated with key elements of the Minimum Expenditure Basket (MEB).

METHODOLOGY

- Field staff familiar with the local market conditions identified shops representative of the general price level in their respective locations.
- At least four prices per assessed item were collected within each location. In line with the purpose of the JMMI, only the price of the cheapest available brand was recorded for each item.
- Enumerators were trained on methodology and tools by REACH. Data collection was conducted through the KoBoCollect mobile application.
- Following data collection, REACH compiled and cleaned all partner data, normalising prices, cross-checking outliers and calculating the median cost of an MEB in each assessed market.
- More details are available in the Methodology section of the Appendix.

ASSESSED LOCATIONS



KEY FINDINGS

- In February, the **US dollar and the Euro continued to depreciate against the Libyan dinar (LYD) on the parallel market**, by -0.9% and -0.6% respectively, a smaller appreciation of the LYD than the previous month.
- With a decrease of 1.9%, the Minimum Expenditure Basket (MEB) was nearly 15 LYD less expensive than in January, reaching a **median cost of 766.06 LYD in February**. The decrease of the median cost of the MEB was notably driven by lower median prices of hygiene items (-5.1%) and cooking fuel (-18.2%)¹ across Libya.
- While the median cost of the MEB decreased in all the three regions, the decrease was greater in the East (-8.6%) and the South (-8.3%) than in the West (-3.4%).** To alleviate the liquidity crisis in the South, the parallel Albayda-based Central Bank of Libya supplied banks with cash at the end of January, which may explain the decrease in prices in the region.²
- Between January and February, all southern and eastern assessed cities recorded a decrease of the median cost of the MEB. However, the figures do not include median prices in Murzuq and Derna, as shops were closed due to clashes between armed actors at the time of the data collection. According to key informants in Murzuq, **many shops were closed and shortages were reported, notably of bread**. Additionally, due to closure of roads, supply chains from Sebha to Murzuq were strongly disrupted, which led to increased prices for some items, including higher transport costs through Ubari.
- Across Libya, **the median price of nearly half of the monitored items** such as bread, flour, milk, potatoes and couscous **remained unchanged between January and February**.

JMMI KEY FIGURES

Data collection from 1-12 February 2019

- 5 participating agencies (ACTED, DRC, Mercy Corps, REACH, WFP)
- 27 assessed cities
- 34 assessed items
- 414 assessed shops

EXCHANGE RATES³

1.379 USD/LYD <i>official</i> ▼ -0.9%	4.370 USD/LYD <i>parallel market</i> ▼ -0.9%	4.970 EUR/LYD <i>parallel market</i> ▼ -0.6%
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KEY MONTHLY CHANGES IN MEB

Median cost of overall MEB 766.06 LYD ▼ 14.88 LYD -1.9%	Food items ▼ -1.1%	Hygiene items ▼ -5.1%	Cooking fuel ▼ -18.2% ¹
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MEDIAN COST OF MEB BY REGION

West	727.96 LYD	-3.4% ▼
East	716.11 LYD	-8.6% ▼
South	960.24 LYD	-8.3% ▼

MARKET SHORTAGES

None reported

Reported changes are month-on-month

Access the **JMMI online dashboard**

MINIMUM EXPENDITURE BASKET (MEB)

Key Elements: Food Items

Bread	38 kg	Tomatoes	12 kg
Rice	12.5 kg	Potatoes	14 kg
Pasta	11 kg	Onions	8 kg
Couscous	6.5 kg	Peppers	5 kg
Beans	7 kg	Tomato paste	7 kg
Chicken	9 kg	Black tea	2 kg
Tuna	4.5 kg	Vegetable oil	6 L
Eggs	4.5 kg	Sugar	2 kg
Milk	10 L	Salt	1 kg

Key Elements: Non-Food Items

Bathing soap	1.5 kg (10 150-g bars)
Toothpaste	0.6 kg (6 100-g tubes)
Laundry detergent	1.5 L
Dishwashing liquid	1.5 L
Sanitary pads	4 packs of 10
Cooking fuel (LPG)	22 kg (2 11-kg refills)

Optional Elements⁴

Water (drinking and domestic use)	2,790 L
Median rent for 3-rm flat	1 month
Float ⁵	20% of key elements

The **Minimum Expenditure Basket (MEB)** represents the minimum culturally adjusted group of items required to support a six-person Libyan household for one month. The cost of the MEB can be used as a proxy for the financial burdens facing households in different locations. The MEB's contents were defined by the CWG in consultation with relevant sector leads.

Only the MEB's key elements (food and non-food items) were incorporated into the calculations in this factsheet.

COST OF MEDIAN OVERALL MEB

766.06 LYD

Change since
January 2019

▼ 14.88 LYD
(-1.9%)

Change since
May 2018

▼ 16.40 LYD
(-2.1%)

MEDIAN MEB COST BY LOCATION

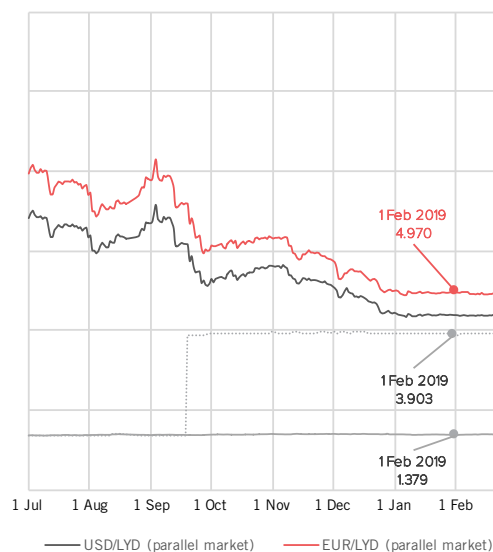
Location	Cost of key elements (LYD)	Change since Jan 2019	Change since May 2018
Azzintan	814.45	+7.4%	+11.6%
Ghiryan	790.14	+6.5%	+6.4%
Zwara	771.38	+3.7%	-6.8%
Ghadamis	770.50	+4.9%	-3.3%
Bani Waleed	760.75	+5.5%	No data
Al Aziziya	755.63	+2.5%	-3.0%
Sabratha	750.62	-3.0%	-3.3%
Azzawya	742.55	-1.9%	-5.5%
Tripoli	742.13	-3.4%	+3.9%
Zliten	732.78	+2.8%	-2.2%
Tarhuna	732.69	+1.7%	No data
Nalut	730.50	-11.0%	-15.5%
Misrata	686.20	-19.1%	+1.5%
Alkhums	685.00	-0.7%	-3.9%
Sirt	663.55	-6.1%	-4.8%
Median West	727.96	-3.5%	-2.1%
Alkufra	982.57	-4.0%	+1.4%
Tobruk	719.88	-7.9%	-9.3%
Ejdabia	697.73	-9.9%	+1.8%
Albayda	693.56	-13.5%	-15.7%
Almarj	686.06	-5.5%	-12.4%
Benghazi	685.60	-7.3%	-9.0%
Median East	716.11	-8.6%	-9.2%
Algatroun	1202.99	-3.6%	+6.8%
Ghat	1180.17	-0.1%	+15.8%
Ubari	1032.90	-5.5%	-6.4%
Aljufra	853.07	-9.8%	-3.3%
Sebha	799.70	-7.9%	-16.5%
Brak	754.85	-15.1%	-12.0%
Median South	960.24	-8.3%	-3.1%
Median Overall	766.06	-1.9%	-2.1%

EXCHANGE RATES OVER TIME³

January 2016-July 2018

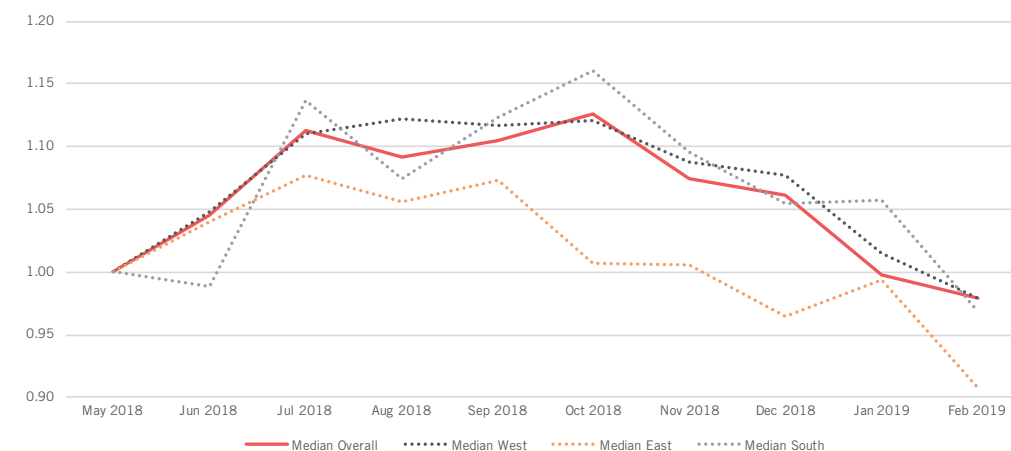


Since July 2018

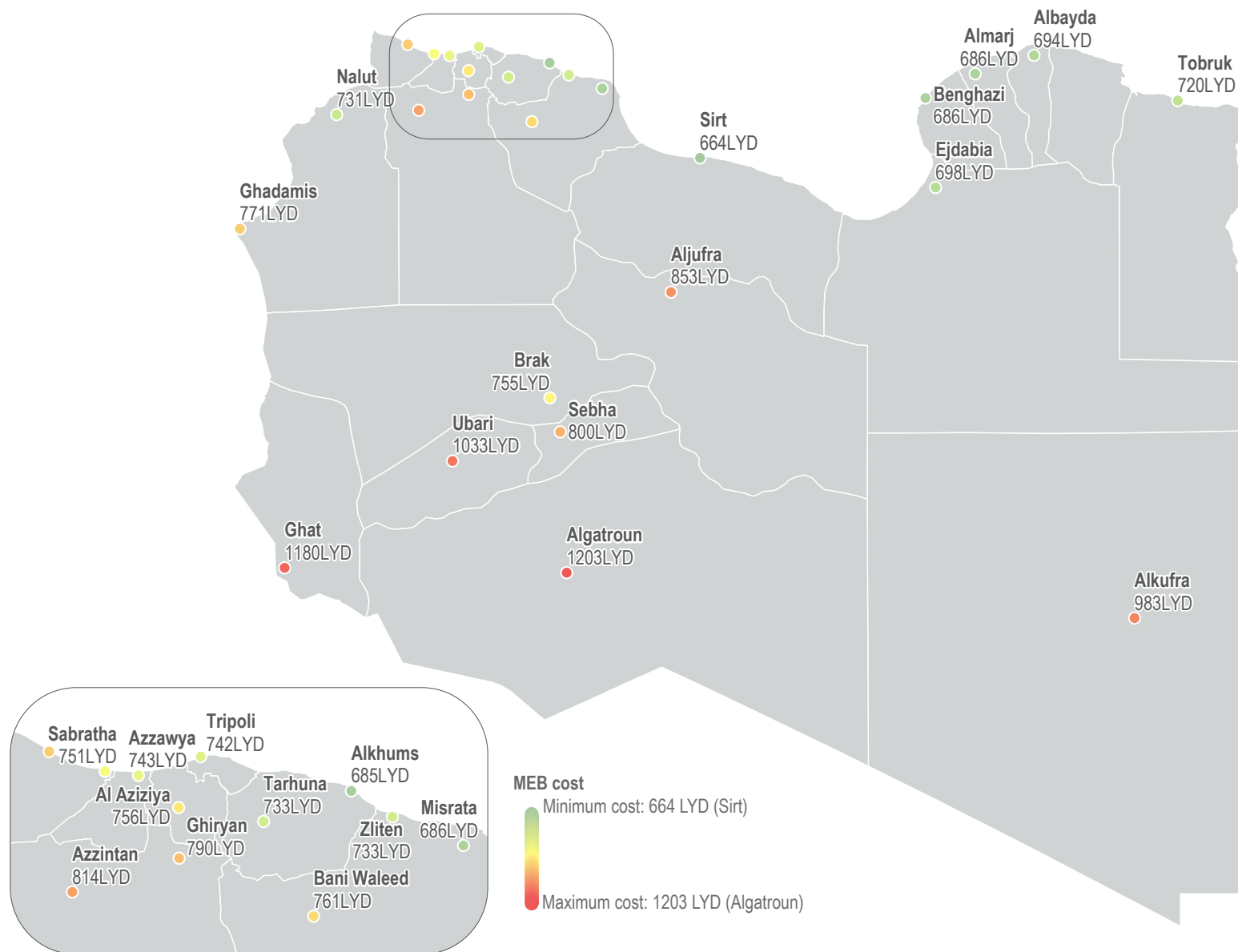


MEB PRICE INDEX

Since May 2018 (normalised, May 2018 = 1.00)⁶



Cost of MEB Key Elements by Location

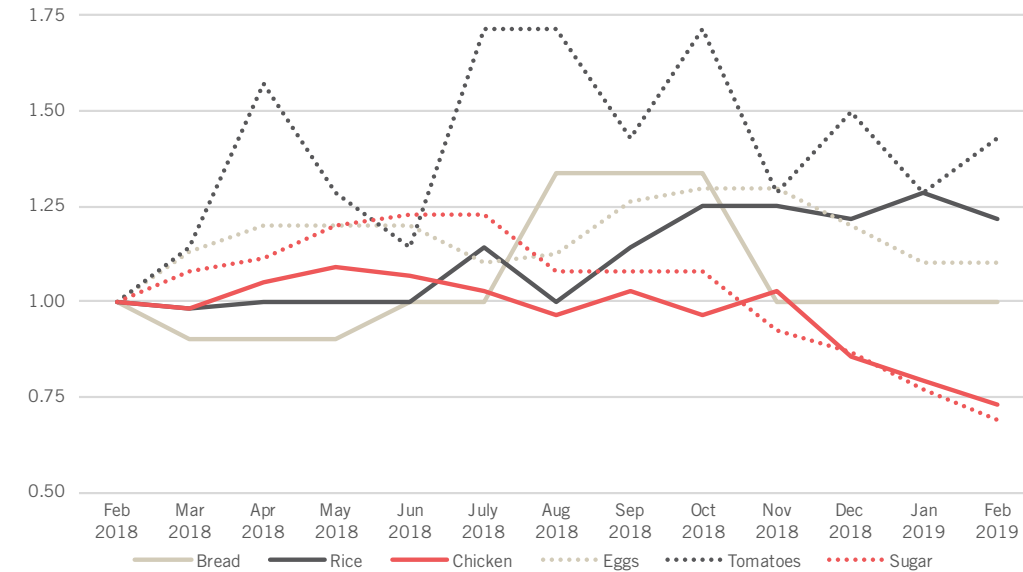


PRICES OF MONITORED ITEMS

Item	Unit	Median price (LYD)	Change since Jan 2019	Change since Feb 2018
Food items				
Tomatoes	1 kg	2.50	+11.1%	+42.9%
Condensed milk	200 ml	3.00	+9.1%	+20.0%
Pasta	500 g	1.56	+4.0%	+4.0%
Tuna	200 g	4.50	+2.7%	+0.2%
Vegetable oil	1 L	5.00	+2.6%	+33.3%
Beans	400 g	2.50	0.0%	0.0%
Bread	5 pieces	1.25	0.0%	0.0%
Chickpeas	400 g	2.50	0.0%	-13.0%
Couscous	1 kg	3.50	0.0%	0.0%
Eggs	30 eggs	11.00	0.0%	+10.0%
Flour	1 kg	2.50	0.0%	+25.0%
Lamb meat	1 kg	35.00	0.0%	+6.1%
Milk	1 L	3.00	0.0%	-17.2%
Onions	1 kg	2.00	0.0%	-15.8%
Peppers	1 kg	4.00	0.0%	-20.0%
Potatoes	1 kg	2.00	0.0%	0.0%
Salt	1 kg	1.00	0.0%	0.0%
Tomato paste	400 g	2.38	-5.0%	+90.0%
Black tea	250 g	6.38	-5.6%	+4.1%
Rice	1 kg	4.25	-5.6%	+21.4%
Chicken	1 kg	8.50	-8.1%	-27.2%
Sugar	1 kg	2.25	-10.0%	-30.8%
Green tea	250 g	3.00	-22.6%	-40.0%
Hygiene items				
Toothbrush	1 brush	2.75	+37.5%	0.0%
Dishwashing liquid	1 L	1.80	+20.0%	-45.9%
Laundry detergent	1 L	1.40	+16.7%	-60.0%
Toothpaste	100 ml	6.00	0.0%	+20.0%
Baby diapers	30 pieces	16.00	0.0%	-27.3%
Handwashing soap	1 bar	1.75	-12.5%	+40.0%
Sanitary pads	10 pads	3.00	-14.3%	-29.4%
Laundry powder	1 kg	6.34	-15.5%	-18.3%
Shampoo	250 ml	5.48	-26.5%	-8.8%
Other items				
Unofficial LPG	11 kg	25.00	+150.0%	No data
Official LPG	11 kg	5.00	0.0%	No data
Bottled water	1 L	0.29	0.0%	No data

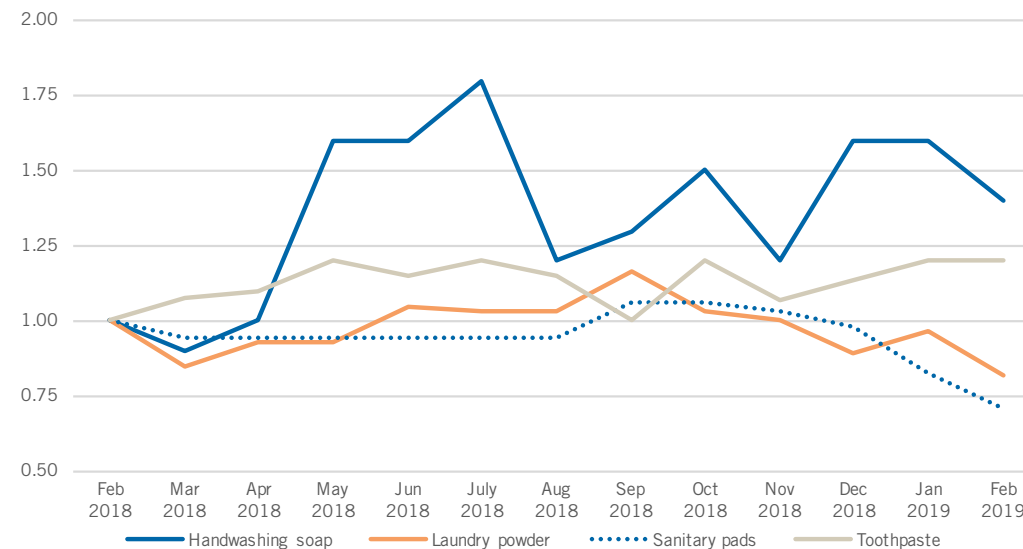
FOOD PRICES OVER TIME

Selected items (normalised, February 2018 = 1.00)⁷



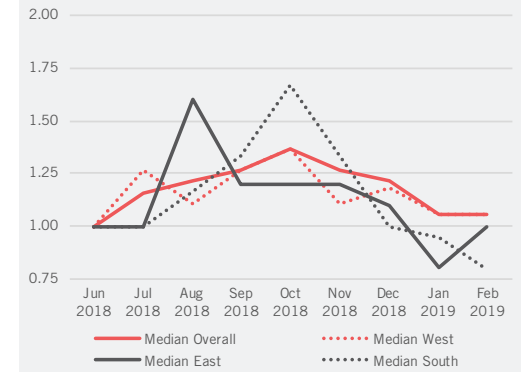
HYGIENE ITEM PRICES OVER TIME

Selected items (normalised, February 2018 = 1.00)⁷



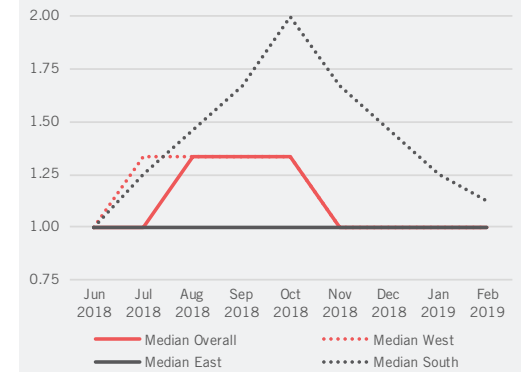
FLOUR PRICES OVER TIME⁸

(normalised, June 2018 = 1.00)



BREAD PRICES OVER TIME⁸

(normalised, June 2018 = 1.00)



NOTABLE MONTH-ON-MONTH CHANGES

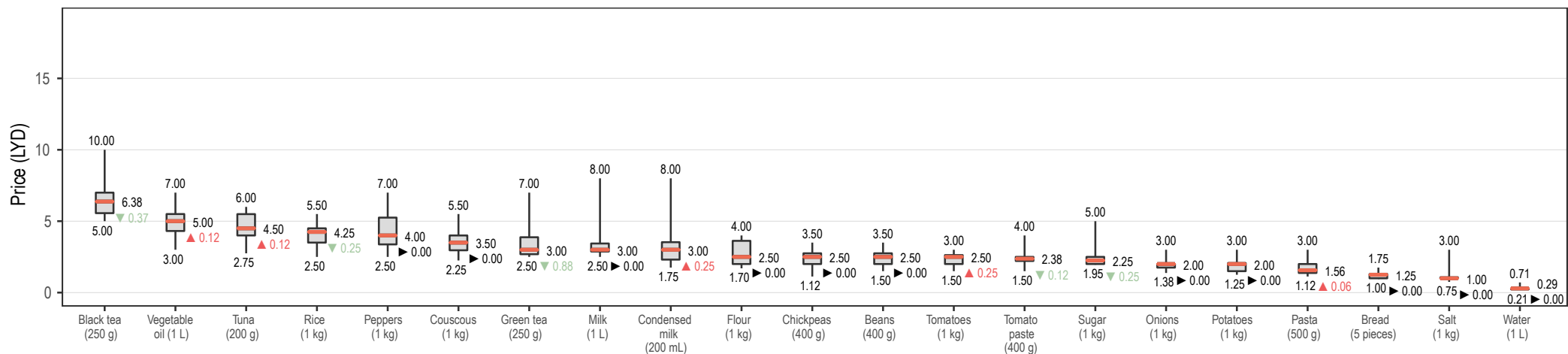
Unofficial LPG	▲ +150.0%
Toothbrush	▲ +37.5%
Dishwashing liquid	▲ +20.0%
Shampoo	▼ -26.5%
Green tea	▼ -22.6%

MARKET SHORTAGES

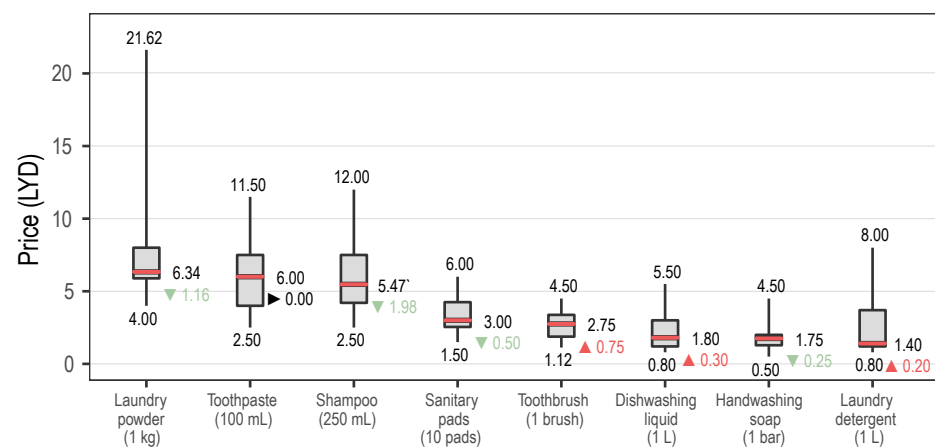
None reported

Distribution of Prices in Libya

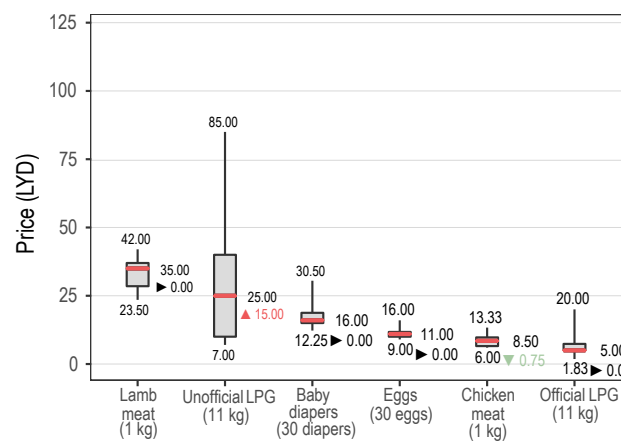
FOOD ITEMS



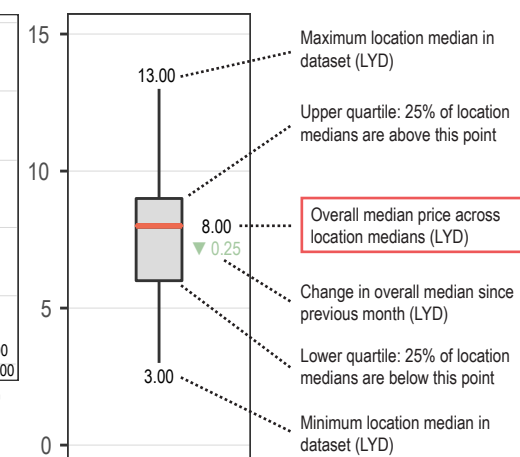
HYGIENE ITEMS



ITEMS WITH HIGHEST PRICES



How to read a boxplot



The 'location median' is calculated by first finding the median price of a given item in each assessed location, then taking the median of the resulting set of median prices.

PREVIOUS JMMI OUTPUTS

Factsheets	Datasets
2019	
January	January
2018	
December	December
November	November
October	October
September	September
August	August
July	July
June	June
May	May
April	April
March	March
February	February
January	January
2017	
December	December
November	November
October	October
September	September
August	August
July	July
June	June
Trends Analyses	
January–June 2018	
June–December 2017	

MARK-UPS FOR ALTERNATIVE MODALITIES

E-cards (credit, debit)	N/A
Certified cheques	10-45%
Mobile money	N/A

What is the CWG?

The Libya Cash Working Group (CWG), established in August 2016, is a community of humanitarian actors that support and coordinate cash-based interventions in Libya. The CWG, based jointly in Tripoli and Tunis, is currently led by UNHCR and co-led by Mercy Corps.

Methodology (cont. from page 1)

The methodology for the JMMI is based on purposive sampling. In each assessed market, at least four prices per item need to be collected from different shops to ensure the quality and consistency of collected data. Partner field teams, in coordination with the CWG, identify shops to assess based on the following criteria:

1. Shops need to be large enough to sell all or most assessed items.
2. Prices in these shops need to be good indicators of the general price levels in the assessed area.
3. Shops should be located in different areas within the assessed city or baladiya.

In locations where it is not possible to identify four large markets that fulfil criterion (1), smaller shops, such as grocery shops, vegetable vendors, butchers and bakeries, are added to the shop list, as long as they fit criteria (2) and (3), in order to guarantee at least four prices per item of interest. Each month, price data is collected from the same shops whenever possible to ensure comparability across months.

The CWG primarily targets urban areas throughout Libya, aiming to ensure coverage of markets that serve as commercial hubs for surrounding regions.

Data is collected via the KoBo mobile data collection application. The CWG maintains a joint KoBo account for the JMMI. The data collection tool is published alongside the dataset every month and disseminated to the humanitarian community.

Analyses

The median prices reported in this factsheet are 'location medians', designed to minimise the effects of outliers and differing amounts of data among assessed locations. First, the median prices of all assessed items are calculated within each assessed location (city or mahalla); then, REACH calculates the median of this list of medians. All boxplots, as well as MEB and price index calculations, are created using this method.

The cost of the MEB is calculated by multiplying the median price of each item in the MEB's 'Key Elements' section by the quantity listed in the table on page 2. In cases where no median price is available for an item in a particular location, the median price for that item across the region (west, east, or south) is substituted.

Challenges and limitations

- Price data is only indicative for the time frame within which it was collected. Prices may vary during the weeks between adjacent data collection rounds.
- The data is only indicative of the general price levels in each assessed location. Representativeness on the mantika (district) level cannot be claimed. Even on the city level, price data must be interpreted with caution, particularly in larger cities with substantial variation in neighbourhoods' socioeconomic levels.
- The JMMI data collection tool requires enumerators to record the cheapest available price for each item, but does not require a specific brand, as brand availability may vary. Therefore, price comparisons across regions may be based on slight variants of the same product.
- The JMMI does not intend to measure general inflation levels on Libyan markets. As per JMMI methodology, only the cheapest available price per item is collected, meaning that changes in middle-market and upmarket goods are not captured.

Endnotes

¹The distribution of official and unofficial cooking fuel prices in our dataset changed between January and February. Consequently, part of the change in cooking fuel prices between these two months may be due to different shops being targeted.

² For further details, see: <https://www.libyaobserver.ly/inbrief/parallel-bayda-based-cbl-sends-82-million-lyd-southern-region>

³ Official rate: Central Bank of Libya (1 February 2019), retrieved from www.cbl.gov.ly. Parallel market rates: Ewan Libya (1 February 2019), retrieved from www.ewanlibya.ly. The rates from 1 January 2019 and 1 February 2019 were used for the calculation of the monthly changes.

⁴ The 'Optional Elements' section of the MEB includes basic expenditures that are incurred by some, but not all, Libyan households, as well as expenditures that extend beyond basic survival and dignity needs. They are not included in the JMMI's MEB calculations.

⁵ The 20% float includes expenses on healthcare, medicine, education, utilities, transportation, and communications.

⁶ The MEB price index was normalised by setting May 2018 as the baseline and dividing each month's price by the price in May.

⁷ The food and hygiene prices were normalised by setting February 2018 as the baseline and dividing each month's price by the price in February.

⁸ Trends in flour and bread prices have been analysed from June 2018 onward to capture volatility that began roughly around that time.